

Question I-4: Section I, Contract Clauses, I.23 FAR 52.215-17 Waiver of Facilities Capital Cost of Money (Oct 1997) and Section L, L.2 FAR 52.215-16 Facilities Capital Cost of Money (Jun 2003). Section I waives FCCM and Section L allows FCCM. Please clarify. Is FCCM to be included?

Answer: Reference Section I, Contract Clauses, I.23 FAR 52.215-17 Waiver of Facilities Capital Cost of Money and Section L, L.2 FAR 52.215-16 Facilities Capital Cost of Money (Jun 2003). Regarding inclusion of Facilities Capital Cost of Money (FCCM) in proposals submitted in response to a Request for Task Proposals (RTP) issued under Clause H.14, Ordering Procedures. A contractor can include or not include FCCM in its proposal submitted in response to a RTP. However, if a contractor does not propose FCCM in its proposal submitted pursuant to Clause H.14 Ordering Procedures, then FAR 52.215-17 Waiver of Facilities Capital Cost of Money is applicable and FCCM costs will be an unallowable cost under that task order. On the other hand, if the contractor proposes FCCM in its proposal submitted pursuant to Clause H.14 Ordering Procedures, then pursuant to FAR 52.215-16 and FAR 15.408(h), the FCCM will be an allowable cost under the task order, if the criteria for allowability in FAR 31.205-10(b) is met. One of the allowability criteria requires that the contractor have proposed facilities capital cost of money in its offer (proposal submitted in response to Clause H.14 under this contract). Therefore, both provisions have been included in the solicitation and in any resultant contract(s).

Regarding submission of proposals in response to the Representative Sample Task, Attachment L-4, offerors can elect to include or not include FCCM in their proposal submitted for the sample task. Cost proposals will be evaluated accordingly in evaluation of the sample task. The offeror's inclusion of or failure to include FCCM in its proposal for the sample task will not affect whether they can ever include FCCM as part of a task order.

The solicitation will be amended to include FAR 52.215-16 in Section I and clarify that FAR 52.215-17 and FAR 52.215-16 are applicable to proposals submitted in response to RTPs and individual task orders.